

30 November 1959

MEMORANDUM FOR THE DIRECTOR

1. This memorandum is for information only.

2. The opening paragraph comparing 1947 with 1959, while tying in the DCI with the National Association of Manufacturers, creates an impression that the USSR believed "the free enterprise society" was going to collapse of its own inertia or weakness. Some may dispute this premise. Certainly in 1947 the USSR had military power but also had a devastated country, had a manpower problem due to the millions killed in war, and no matter what the Soviet could do, it could not seriously affect "the imminent collapse of free enterprise." It was not then an industrial or economic threat.

Why not state that today the Soviet Union is much stronger than in 1947, but so are we and our Allies in the Free World?

3. The DCI's thesis that today's Soviet leaders have as their objective "to surpass us (America) in total industrial output," and that they (USSR) use industrial power mainly to promote Soviet national power aims while America uses it to mainly give a fuller life to our own citizens, needs to be looked at in connection with Secretary Herter's quote and the DCI's last two paragraphs on page 22. The implication is that America should adopt, at least in part, the Soviet scheme of less for the individual and turn more of our economy into "national power." Is this the DCI's intention?

4. There seems to be a policy statement by the DCI in implying that for America there will be no more "conventional" wars or aggressions, because in any such war or aggression, America will use "adequate force, including nuclear weapons." (Page 6, second paragraph.) On Page 9, having stated certain conditions, the DCI concludes "...the danger of nuclear war

might well recede in the decade we are entering." These two statements, considered together, might cause a belief that the DCI is saying, there will be no war in the next decade because America will use nuclear weapons in any aggression against us while the USSR does not want a nuclear war, thus establishing a standoff that will last while both sides remain militarily capable of devastating the other's country should either be attacked.

5. There are perhaps too few specific statements and too many generalities in the speech. For example: On Page 1 the DCI reiterates his 1947 statement that the challenge to America (by the USSR) is "to prove that the system of free men under law can survive." Survive against what? Communism as a political force, as a religion? The later statement that today's objective of the Soviet leaders is to "surpass us (America) in total ^{industrial} output" may supply part of the survival answer.

6. The DCI states that the Sino-Soviet bloc is "the most aggressive foreign competitor." Is this a fact? Shouldn't this be qualified in view of our unfavorable trade balance today with the Free World countries?

7. The DCI states that the Soviet industrial growth rate today is "some eight to nine per cent." On Page 10 of his statement of 13 November 1959 before a joint Congressional subcommittee he said:

"...the range of estimates (industrial growth) is from 9 to 10.5 per cent a year." (Estimates by various Western scholars.)

Then he adds, "...our (CIA) estimate of about 10 per cent."

Would it not be correct to again state "of about 10 per cent" rather than "some eight to nine per cent?"

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cc: DDCI

RECOMMENDED CHANGES:

Page 1, line 4: Change "us" to "the United States of America."

Page 1, line 8: Change "their" to "its."

Page 2, line 1: "The old Soviet leaders have gone"--(Stalin, Molotov, Vishinsky). (Molotov is a minor "leader" today, but Bulganin, Khrushchev, Zhukov, and others are about.)
Recommend line 1, Page 2, be changed to read:
"Many of the old political leaders have gone" etc.

Page 2, line 4: Change "us" to "America."

Page 2, end of Par. 3: Recommend add "and to encourage neutrality where there are nations they can't get on the Communist side."

Page 3, line 1: Did the Soviet "have an atomic power" in 1949?

Page 3, line 2: Change "great" to "large" and in line 3, delete "still," and delete "the threat of." (You can rattle missiles but can one "rattle a threat?")

Page 3, last paragraph: This paragraph needs re-writing. It is stated the "...most aggressive foreign competitor" is "in the Sino-Soviet Bloc." Is this a fact? The outflow of gold and dollars from the US, due to buying more abroad than we sell, results in large part from British and Japanese competition--not from the Sino-Soviet Bloc. Recommend check facts; recommend also delete "so," third line from bottom, Page 3.

Page 4, line 5: Add "Let me discuss this viewpoint."

Page 5, lines 8 and 9: Delete "whether by guided missiles or conventional aircraft" as superfluous and it omits the Navy's Polaris via subs.

Page 5, last sentence: This general statement is intriguing. Why not give one or more specific examples or references?

Page 7, line 5: Delete "and were a calculated act." (If you calculate winning a war and you lose, it's a "miscalculation. The last sentence is self-contradictory.)

Page 8, line 3: Change "This Country" to "America."

Page 9, line 2: Change "could" to might."

Page 10, line 5: Insert "Soviet" before "attempt."

- Page 10, line 10: After "August" add "at the National Press Club."
- Page 12, line 9: Change "quick" to "quickly."
- Page 12, line 13: Name some of these countries so it will be more generally known.
- Page 13, line 2: I question the wisdom of the moon example and "...the Soviets first got a rocket to the moon." This helps their propaganda. Why not say they lead in some phases of space technology? (Don't give them the moon.)
- Page 13, last paragraph: Why not give some examples and bring out the fact that their contribution is a small fraction of ours--it is window dressing for immediate effect.
- Page 14, last paragraph, line 2: "popular" seems to be the wrong word. Recommend delete it or say "cultural."
- Page 15, line 1: Change "cover" to "front."
- Page 17, next to the last line: Czech coup was 11 years ago (1948). Recommend change
- Page 18, line 1: Change "in Moscow" to "by Moscow." "10" to 11.
- Page 19, line 2: Change "hand to be shown" to "hand to be seen."
- Page 19, line 6: Omission of Laos and Tibet intentional?
- Page 20, line 1: Delete "as to"
- Page 20, last line: Delete "and the like." (It may be taken as you're opposing foreign military aid, and it is vague. What does it mean?)
- Page 21, last line: A striking question. How can we exert this superiority and our political, financial, and spiritual power--to multiply its impact for the good of the greatest number? NAM is one important unit in this fight--it is a fight.
- Page 22, third line from the bottom: After "Soviet Union" add "and to its Red Chinese partner."
- Page 22, last line: Add "Will you do it?"